

Appropriation: Services Charges, Deposits, and Forfeitures

APPROPRIATION LANGUAGE SHEET

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under Public Law 94-579, as amended, and Public Law 93-153, to remain available until expended: Provided, That, notwithstanding any provision to the contrary of section 305(a) of Public Law 94-579 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that section, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to section 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this Act by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such action are used on the exact lands damaged which led to the action: Provided further, That any such moneys that are in excess of amounts needed to repair damage to the exact land for which funds were collected may be used to repair other damaged public lands (Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006.)

AUTHORIZATIONS

The Mineral Leasing Act of 1920, as amended by the Trans-Alaska Pipeline Act of 1973, §101 (30 U.S.C. 185) Authorizes rights-of-way for oil, gas, and other fuels. It further authorizes the Secretary to issue ROW and other land use authorizations related to the Trans-Alaska Pipeline. Rights-of-way applicants and permittees are to reimburse the U.S. for all costs associated with processing applications and monitoring pipeline construction and operations.

The Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719) Authorizes the granting of certificates, rights-of-way permits, and leases.

The National Environmental Policy Act of 1969 (42 U.S.C. 4321, 4331-4335, 4341-4347) Requires the preparation of environmental impact statements for Federal projects that may have a significant effect on the environment.

The Wild Free Roaming Horse and Burro Act of 1971, as amended by the Public Rangelands Improvement Act of 1978 (16 U.S.C. 1331-1340) Authorizes adoption of wild horses and burros by private individuals under cooperative agreements with the Government.

The Public Rangelands Improvement Act of 1978 (43 U.S.C. 1901-1908) Establishes the policy of improving Federal rangeland conditions and facilitates the humane adoption or disposal of excess wild free-roaming horses and burros.

Federal Land Policy and Management Act of 1976, as amended (43 U.S.C. 1701 et seq.) Outlines functions of the BLM Directorate, provides for administration of public lands through the BLM, provides for management of the public lands on a multiple-use basis, and requires land-use planning including public involvement and a continuing inventory of resources. The Act establishes as public policy that, in general, the public lands will remain in Federal ownership, and also authorizes:

- Management of the use, occupancy, and development of the public lands through leases and permits;
- Determination of the suitability of public lands for

rights-of-way purposes (other than oil and gas pipelines) and specification of the boundaries of each right-of-way;

- Recordation of mining claims and reception of evidence of annual assessment work.

Summary of Requirements (\$000)

Comparison by Activity/ Subactivity	2005 Actual		2006 Enacted		Fixed Costs & Related Changes (+/-)		Program Changes (+/-)		2007 Budget Request		Inc(+) / Dec(-) from 2006	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Service Charges, Deposits, & Forfeitures	112	0	131	0	+0	+0	+0	+0	131	0	0	0
Service Charges, Deposits, & Forfeitures	112	19,786	131	25,483	+0	+0	+0	+0	131	25,483	0	0
Offsets		-19,786		-25,483		+0		+0		-25,483		0
Right-Of-Way Processing	80	10,601	82	12,150	+0	+0	+0	+0	82	12,150	0	0
Energy & Minerals Cost Recovery	9	692	12	3,400	+0	+0	+0	+0	12	3,400	0	0
Recreation Cost Recovery	0	0	0	0	+0	+0	+0	+0	0	0	0	0
Mining Law Cost Recovery	0	0	14	1,100	+0	+0	+0	+0	14	1,100	0	0
Adopt-A-Horse Program	0	708	0	708	+0	+0	+0	+0	0	708	0	0
Repair of Damaged Lands	7	3,396	7	4,000	+0	+0	+0	+0	7	4,000	0	0
Cost Recoverable Realty Cases	4	774	4	775	+0	+0	+0	+0	4	775	0	0
Timber Contract Expenses	1	96	1	50	+0	+0	+0	+0	1	50	0	0
Commercial Film & Photography Fees	1	442	1	200	+0	+0	+0	+0	1	200	0	0
Copy Fee Account	10	3,077	10	3,100	+0	+0	+0	+0	10	3,100	0	0

Appropriation: Service Charges, Deposits, and Forfeitures (Indefinite)

Activity Summary (\$000)

Subactivity	2005 Actual Amount	2006 Enacted Amount	Fixed Costs & Related Changes (+/-) Amount	Program Changes (+/-) Amount	2007 Budget Request Amount	Inc(+) / Dec(-) from 2006 Amount
Right-Of-Way Processing						
\$	10,601	12,150	0	0	12,150	0
FTE	80	82	0	0	82	0
Energy & Minerals Cost Recovery						
\$	692	3,400	0	0	3,400	0
FTE	9	12	0	0	12	0
Recreation Cost Recovery						
\$	0	0	0	0	0	0
FTE	0	0	0	0	0	0
Mining Law Cost Recovery						
\$	0	1,100	0	0	1,100	0
FTE	0	14	0	0	14	0
Adopt-A-Horse Program						
\$	708	708	0	0	708	0
FTE	0	0	0	0	0	0
Repair of Damaged Lands						
\$	3,396	4,000	0	0	4,000	0
FTE	7	7	0	0	7	0
Cost Recoverable Realty Cases						
\$	774	775	0	0	775	0
FTE	4	4	0	0	4	0
Timber Contract Expenses						
\$	96	50	0	0	50	0
FTE	1	1	0	0	1	0
Commercial Film & Photography Fees						
\$	442	200	0	0	200	0
FTE	1	1	0	0	1	0
Copy Fee Account						
\$	3,077	3,100	0	0	3,100	0
FTE	10	10	0	0	10	0
Total Dollars						
\$	19,786	25,483	0	0	25,483	0
FTE	112	131	0	0	131	0

PROGRAM OVERVIEW

Subactivity: Rights-Of-Way Processing Cost Recovery –

- **Rights-Of-Way** - These funds are deposited in the Service Charges, Deposits, and Forfeitures account and used by the BLM for labor and other expenses of processing these documents. ROW processing is funded through a combination of applicant deposits made into this indefinite appropriation and a direct appropriation of funds in the Management of Lands and Resources appropriation--Lands and Realty Management subactivity.

BLM recovers costs for the processing costs of ROW issued pursuant to the *Mineral Leasing Act* and the *Federal Land Policy and Management Act*. Regulations set fee schedules according to the type and size of the project. On average, BLM's cost is \$5,000 to process a right-of-way application. The regulations allow the BLM to assess applicants for the actual costs to process large scale ROW projects, which are usually for oil and gas pipelines, electric transmission lines, wind energy sites, or other projects associated with energy development. Twenty percent of BLM's ROW applications are for these types of projects.

At least 80 percent of the ROW projects are for smaller scale projects such as short roads, well gathering lines, and electric lines. For the smaller scale projects (2004 average cost of \$600 each to process), regulations set out a graduated fee schedule which assesses a flat rate depending on the estimated amount of work to process the application. For these projects, the BLM recovers 50 percent of the actual costs of each ROW application. Regulations finalized in 2005 will allow the BLM to recover 80 percent of the actual costs of these types of applications.

Only those costs directly associated with processing an application or issuing a ROW grant are charged to an individual project. Costs of land use planning or studies to determine placement of ROW corridors, and other applicable general project costs, cannot be charged to the individual rights-of-way project. These costs are all funded from MLR appropriation.

The BLM maintains more than 89,000 ROW authorizations. The Bureau will expedite the granting of ROWs by processing applications, issuing permits, and monitoring construction involved with the operation and termination of cost-recoverable ROWs on the public land as authorized by the *FLPMA* and the 1973 amendment to the *Mineral Leasing Act*.

Subactivity: Energy and Minerals Cost-Recovery - In accordance with a final rule published in the Federal Register on October 7, 2005, BLM began charging cost recovery fees for several mineral extraction activities on public lands, effective November 7, 2005. The BLM issued this final rule to amend its mineral resources regulations to increase certain fees and to impose new fees to cover BLM's costs of processing documents relating to its minerals programs. The new fees include costs of actions such as environmental studies performed by BLM, lease applications, name changes, corporate mergers, lease consolidations and reinstatements, and other processing-related costs. BLM charges the fees pursuant to authorities under the Independent Offices Appropriation Act, as amended, 31 U.S.C. 9701 (IOAA); Section 304(a) of FLPMA; and OMB Circular A-25; DOI Manual 346 DM 1.2 A; and case law (see the preamble to the proposed rule at 70 FR 41533 and Solicitor's Opinion M-36987 (December 5, 1996)).

The 2007 President's Budget proposes legislation to repeal, effective September 30, 2007, the provisions in Section 365 of the Energy Policy Act of 2005 that divert leasing rental receipts

from the Treasury to the BLM oil and gas program and prohibit BLM from implementing fees for processing applications for permits to drill. During 2006 and 2007, the Administration will promulgate a new energy cost recovery rulemaking to collect APD processing fees beginning on October 1, 2007. The rulemaking will provide for a phase-in of full cost recovery on APDs, beginning with a fee amount in 2008 that will generate an estimated \$20 million in cost recovery revenue to fully offset the foregone rental revenues, thereby preventing any diminution in BLM's APD processing and related inspection and monitoring capabilities. The proposed increased reliance on cost recoveries is consistent with the findings of previous Inspector General Reports and the 2005 PART review of this program, which found that the program does not adequately charge identifiable users for costs incurred on their behalf. The funds collected from this cost recovery regulation will be deposited in the Service Charges, Deposits and Forfeitures account. After the funds are deposited, they will be expended by the BLM for labor and other costs to process these leases and permits.

Subactivity: Adopt-a-Horse Program - The BLM conducts adoptions throughout the year for wild horses and burros on public lands. In 2007, the BLM anticipates making 8,500 animals available for adoption to qualified applicants. The BLM places animals in adoption primarily through a competitive bidding process, receiving a minimum of \$125 per horse or burro to offset veterinary, transportation, and animal maintenance costs.

Subactivity: Repair of Damaged Lands - Under the FLPMA, the BLM is authorized to collect for land damaged by users who have not fulfilled the requirements of contracts or bonds. If a funding excess exists after repair has been made to the exact land for which funds were collected or forfeited, then BLM may use these funds to improve, protect, or rehabilitate any damaged public land.

Subactivity: Cost-Recoverable Realty Cases - The BLM performs certain types of realty work on a cost-recoverable basis. Regulations promulgated pursuant to the *FLPMA* allow the BLM to collect from applicants the costs of processing applications for realty work such as conveyance of mineral interests; issuance of disclaimers of interest; and issuance and compliance monitoring of many types of land use authorizations through leases, permits, and easements.

Realty actions that BLM recovers costs from applicants under current regulations include:

- **Conveyance of Federally Owned Mineral Interests** – The BLM collects costs from applicants to cover administrative costs for conveying federally owned minerals to private parties. These include the costs of conducting an exploratory program to determine the type and amount of mineral deposits, establishing the fair market value of the mineral interests to be conveyed, and preparing conveyance documents.
- **Recordable Disclaimers of Interest** – The BLM collects costs from applicants to cover administrative costs, including the costs to determine if the U.S. has an interest in the property or boundary definitions, as well as preparing the riparian specialist's report or preparing and issuing the document of disclaimer.
- **Leases, Permits, and Easements** – The BLM collects costs from applicants to cover administrative costs, including processing applications, monitoring construction, operating and maintaining authorized facilities, and monitoring land rehabilitation and restoration.

Applicants may deposit money in an approved account for the BLM's use in completing specific realty work. These dollars are immediately available to the BLM without further appropriation.

Subactivity: Timber Contract Expenses - Many BLM timber contracts have provisions that allow the purchaser to make cash payments to the BLM in lieu of performing specified work. The BLM uses these funds as required by the contract to complete timber slash disposal and reforestation.

Subactivity: Commercial Film and Photography Rents – Rents from permits for commercial filming and photography on lands administered by BLM are deposited to this account and are available for expenditure at the site where the rents were collected. Projects that funding could be used for include increasing the quality of the visitor experience at public recreational areas, enhancing the protection of resources, and reducing the backlog of repair and maintenance projects (including projects relating to health and safety). Other projects could include enhancement to interpretation signage, resource preservation, annual operation (including fee collection), and law enforcement relating to public use of public lands.

Subactivity: Copy Fees - The BLM is the custodian of the official public land records of the U.S. There are 500,000 requests annually from industry, user organizations, and the general public, for copies of these official records. The BLM charges a fee for copies of these records (maps, plats, field notes, copies of use authorizations, reservations of easements and ROW, serial register pages, etc.). This fee covers the cost of research, staff time, and printing.

* Budget Schedules

UNAVAILABLE RECEIPTS (MILLION \$)

Identification code: 14-5017-0		2005 Act	2006 CY	2007 BY
0100	Balance, start of year	0	0	0
0199	Balance, start of year	0	0	0
0400	Total: Balances and collections	20	25	25
0799	Balance, end of year	0	0	0
	Receipts			
0220	Service charges, deposits, and forfeitures, BLM	20	25	25
	Appropriations			
0500	Service charges, deposits, and forfeitures	-20	-25	-25
0799	Balance, end of year	0	0	0

PROGRAM AND FINANCING (P) (MILLION \$)

Identification code: 14-5017-0		2005 Act	2006 CY	2007 BY
	Obligations by program activity			
0001	Right-of-way processing	10	13	13
0002	Adopt-a-horse program	1	1	1
0003	Repair of lands and facilities	2	4	4
0004	Cost recoverable realty cases	1	1	1
0005	Copy fees	3	4	4
0006	Energy and minerals cost recovery	1	2	2
1000	Total new obligations	18	25	25
	Budgetary resources available for obligation			
2140	Unobligated balance carried forward, start of year	16	18	18
2200	New budget authority (gross)	20	25	25
2390	Total budgetary resources available for obligation	36	43	43
2395	Total new obligations	-18	-25	-25
2440	Unobligated balance carried forward, end of year	18	18	18
	New budget authority (gross), detail			
	Discretionary			
4020	Appropriation (special fund)	20	25	25
	Change in obligated balances			
7240	Obligated balance, start of year	3	3	3
7310	Total new obligations	18	25	25
7320	Total outlays (gross)	-18	-25	-26
7440	Obligated balance, end of year	3	3	2
	Outlays (gross), detail			
8690	Outlays from new discretionary authority	10	13	13
8693	Outlays from discretionary balances	8	12	13
8700	Total outlays (gross)	18	25	26
	Net budget authority and outlays			
8900	Budget authority	20	25	25
9000	Outlays	18	25	26
9502	Unpaid obligation, end of year	3	0	0

OBJECT CLASSIFICATION (O) (MILLION \$)

Identification code: 14-5017-0		2005 Act	2006 CY	2007 BY
	Direct obligations			
	Personnel compensation			
1111	Full-time permanent	7	8	9
1121	Civilian personnel benefits	2	3	3
1220	Transportation of things	1	2	1
1252	Other services	3	5	5
	Other purchases of goods and services from			
1253	Government accounts	3	4	4
1260	Supplies and materials	2	3	3
9999	Total new obligations	18	25	25

BA, LIMITATIONS, AND OUTLAYS - POLICY (A) (MILLION \$)

Identification code: 14-5017-0		2005 Act	2006 CY	2007 BY
	Appropriation (total)			
4300	Discretionary, regular	20	25	25
	Outlays from new authority			
9111	Discretionary, regular	10	13	13
	Outlays from balances			
9121	Discretionary, regular	8	12	13
	Memo: Outlays frm end of PY balances			
9122	Discretionary, regular	0	12	0

BA, LIMITATIONS, AND OUTLAYS - BASELINE (S) (MILLION \$)

Identification code: 14-5017-0		2005 Act	2006 CY	2007 BY
	Appropriation (total)			
	Discretionary, regular			
4300	Baseline Non-Pay	0	14	14
4300	Baseline Civilian Pay	0	11	12
	Outlays from new authority			
9111	Discretionary, regular	0	13	13
	Outlays from balances			
9121	Discretionary, regular	0	12	13
	Memo: Outlays frm end of PY balances			
9122	Discretionary, regular	0	12	0

PERSONNEL SUMMARY (Q)

Identification code: 14-5017-0		2005 Act	2006 CY	2007 BY
	Direct			
1001	Civilian full-time equivalent employment	112	131	191

APPROPRIATIONS REQUESTS IN THOUSANDS OF DOLLARS (T)

Identification code: 14-5017-0		2005 Act	2006 CY	2007 BY
1000	Budget year budgetary resources [14-5017]	0	0	25,483

Schedule T in MAX only allows data to be entered in the Budget Year. FY2005 was 19,786 - FY2006 is 25,483.